

Congress of the United States
Washington, DC 20515

February 8, 2016

Mr. Andy Slavitt
Acting Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Slavitt:

We write today to better understand the Centers for Medicare and Medicaid Services' (CMS) recent focus on Medicaid coverage of housing-related activities and services.

While CMS is statutorily prohibited from providing Federal Financial Participation (FFP) for room and board in home and community based services, this informational bulletin specifies a number of housing-related services that can be reimbursed by Medicaid including: security deposits; utility set-up fees; furniture; household goods, such as window coverings, linens, and kitchen appliances; moving expenses; assisting individuals with finding and applying for housing; educating individuals on their rights and responsibilities as tenants; and helping to resolve disputes with landlords and/or neighbors.

Medicaid coverage of housing-related services may be cost-effective if it avoids or reduces the need for costly institutional care, such as nursing home care by allowing an individual to remain in, or return to, the community. At the same time, coverage of housing-related services could be especially vulnerable to fraud, waste, and abuse and could result in duplication with other federal programs that provide housing assistance.

For example, according to the United States Interagency Council on Homelessness (USICH), which coordinates homelessness initiatives between federal agencies, the budget authority for targeted homeless assistance programs in fiscal year (FY) 2015 was over \$5.14 billion¹. This includes \$619 million for Department of Health and Human Services' programs, including programs that appear to offer similar housing-related services to similar populations as served by Medicaid. Additionally, the Department of Housing and Urban Development (HUD), which had a \$2.13 billion budget for targeted homeless assistance programs in FY2015, also provides a number of programs that directly support housing efforts for homeless, disabled, and other low income individuals.

Given these risks, we respectfully request your response to the following questions:


¹ http://usich.gov/resources/uploads/asset_library/2016_Budget_Fact_Sheet_on_Homelessness_Assistance.pdf

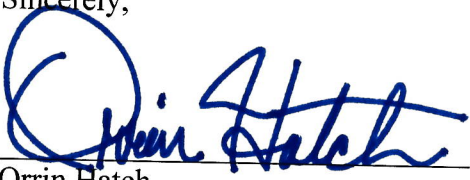
1. What peer-reviewed research or other analysis did CMS use to inform its thinking on the cost-effectiveness of Medicaid coverage of housing-related services, particularly as it relates to populations not requiring LTSS coverage?
2. What, if any, criteria did CMS use in determining which housing-related services could be covered through Medicaid? For example, how did CMS determine that window coverings were appropriate for Medicaid coverage?
3. What controls are in place to ensure that the housing-related services and activities reimbursed through Medicaid are necessary, reasonable, and cost-effective? For example, what, if any, limits exist on the amount Medicaid can reimburse for housing-related services, both specific services (such as food preparation items) and overall services for an individual?
4. How much money has been spent on housing-related services under Medicaid and for what populations?
5. Since the CMS-64 form that CMS uses to provide federal matching dollars for state Medicaid expenditures contains program-benefit costs and administrative expenses that are *not linked to individual enrollees*, what mechanisms does CMS have in place to prevent waste, fraud, and abuse as it relates to Medicaid coverage of housing-related services and activities?
6. According to the U.S. Department of Housing and Urban Development, homelessness declined by 11 percent since 2007 and the number of individuals experiencing chronic homelessness declined by 31 percent, or almost 23,000 people, between 2010 and 2015.² Given this, please provide an explanation of CMS's rationale for focusing Medicaid coverage for housing-related services for persons experiencing chronic homelessness?
7. What is CMS doing to ensure that Medicaid reimbursements are not duplicative of similar initiatives offered through other federal or state agencies? Related, to what extent is CMS coordinating with other agencies on housing-related services and activities? Additionally, what steps is CMS taking to provide states with technical assistance in directing Medicaid beneficiaries to existing housing assistance programs in lieu of using Medicaid dollars?

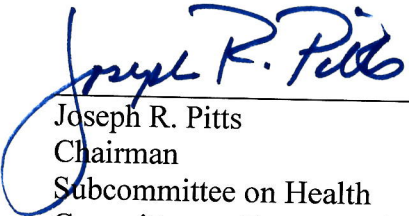
We respectfully request your response to this letter no later than 45 days after receipt of this letter. If you have any questions, please contact Josh Trent or Michelle Rosenberg with the Energy and Commerce Committee at (202) 225-2927 or Kim Brandt with the Finance Committee at (202) 224-4515.

² <https://www.hudexchange.info/resources/documents/2015-AHAR-Part-1.pdf>

Sincerely,



Fred Upton
Chairman
Committee on Energy and Commerce
U.S. House of Representatives

Orrin Hatch
Chairman
Committee on Finance
U.S. Senate

Joseph R. Pitts
Chairman
Subcommittee on Health
Committee on Energy and Commerce